2009 Budget Revision Guidance

Idaho Local ABE Funding Applications

The following guidance will help you revise your FY2009 budget to meet state requirements. In some cases this document revises or clarifies previous directions given in the original FY2009 application guidance. Please read through this document carefully, as it will help you complete the required revisions from the state office.

FULL TIME POSITIONS (FTPs)

DEFINITION:

For the purpose of this application, a full time position is considered a position that works 2080 hrs/yr (40 hrs/wk for 52 weeks per year).

1.0 FTP = 2080 hrs per year

0.5 FTP = 1040 hrs per year

0.25 FTP = 520 hrs per year

CALCULATION:

To calculate the FTP for a position, multiply the number of hours worked per week by the number of weeks worked per year. Divide this number by 2080 hr/yr. The resulting number is the FTP.

Example 1: If someone works 20 hrs/wk and 40 wks/yr, the FTP would be calculated as:

(20 hrs/wk) x (40 wks/yr) = 800 hrs/yr

(800 hrs/yr) ÷ (2080 hrs/yr) = 0.38 FTP

Example 2: If someone works 30 hrs/wk for 20 wks/yr, the FTP would calculate as:

(30 hrs/wk) x (20 wks/yr) = 600 hrs/yr

(600 hrs/yr) ÷ (2080 hrs/yr) = 0.29 FTP

FTP CALCULATIONS CON'T

To calculate the total cost for a position, multiply the number of hours worked per year by the total hourly rate (include benefits if appropriate).

Example: A position is listed as 0.5 FTP and earns a total of $15.00 per hour. The total dollar amount for this budget item would be calculated as follows:

(0.5 FTP) x (2080 hrs/yr) = 1040 hrs/yr.

(1040 hrs/yr) x ($15.00 per hr) = $15,600 per yr

To calculate the hourly rate based on FTP and annual budget, divide the total hours worked per year by the total dollar amount per year for the position. This calculation is used by the State to check budget items and make sure hourly rate of pay is reasonable.

Example: If a position in the budget is listed as a 0.75 FTP for a total of $9,000, the hourly rate is calculated as follows:

(0.75 FTP) x (2080 hrs/yr) = 1560 hrs/yr

($9,000 / yr) ÷ (1560 hrs/yr) = $5.77 /hr.

*Does this hourly wage seem reasonable? Probably not, especially if it includes benefits. This would indicate that either the FTP or the budget amount is incorrect.

HOW TO LIST FTPs IN YOUR BUDGET

The purpose of asking a school to list paid personnel positions in the following way is to allow the reviewing agency to judge the appropriateness of the proposed budget. The following method for listing FTPs shows the reviewing agency the number and type of staff, how/when work is performed, hourly wages, and how much money is used for instruction, administration, or other types of personnel activity.

Please use the following revised format to list the FTPs in your budget: **n(x) - Position Description**

n = the number of personnel holding a type of position

(x) = a unique FTP for the position (see Example 2 below)

"Position Description" = A description of the position that makes clear the duties of the position and distinguishes it from other similar positions. For example "Main Center Math Instructor" vs "Off-Site ESL Instructor"

You should have one budget line for each combination of unique FTP and Position Description

---

Example 1: If you have 3 main-site math teachers who each work 20 hrs/wk and 52 wks/yr, n = 3, (x) = 0.5, Position Description = "Main Site Math Instructors." You should list this line in your budget as:

3 (0.5) FTP – Main Site Math Instructors

     NOT

1.5 FTP – Main Site Math Instructors (the reviewing agency cannot determine how many teachers this includes)

HOW TO LIST FTPs IN YOUR BUDGET CON'T

Example 2: This example shows how to list unique FTPs & Position Descriptions combinations. This method would also apply to different types of instruction, such as "Reading" or "ESL." For simplicity we have only used "math instructors" in this example.

Let's say you have 15 math teachers who are paid a total of $15.00 /hr each, and break out as follows:

Your budget narrative should look like this:

- 2 work on-site as 0.5 FTPs (1040 hrs/yr), total= $31,200
- 2 work off-site as 0.5 FTPs (1040 hrs/yr), total= $31,200
- 5 work on-site for as 0.75 FTPs (1560 hrs/yr), total= $117,000
- 3 work on-site full-time (1.0 FTP), total =$93,600
- 3 work off-site full-time (1.0 FTP), total =$93,600

- 2(0.5) FTP On-Site Math Instructors - $31,200
- 2(0.5) FTP Off-Site Math Instructors - $31,200
- 5(0.75) FTP On-Site Math Instructors -$117,000
- 3(1.0) FTP On-Site Math Instructors - $93,600
- 3(1.0) FTP Off-Site Math Instructors - $93,600

By listing the positions in this way, the State can see how many teachers you have, how often they are working, where they are working, what they are doing, and how much you are paying them.

In this example, your budget should **NOT** look like either of the following examples:

7.75 FTP On-Site Math Instructors   OR   11.75 – Math Instructors

4.0 FTP Off-Site Math Instructors

COMMON PROBLEMS and MISTAKES WHEN LISTING FTPs

The following are some of the common mistakes you should check for before submitting your application revision. These mistakes generally happen when you do not pro-rate the dollar amount for a position's salary to match the the corresponding FTP, or if you do not calculate the FTP to match to portion of the total salary represented in the specific budget area. The solution for these errors is to make sure that if you list one position on multiple budgets, the FTP you list in each budget should be proportional to the salary represented in that budget area. The total FTP and salary should be obtained by adding all the parts of the position listed under different budgets.

- **One person working more than 1.0 FTP** – Be careful that people who are paid from different funding sources or budgets don't total more than 1.0 FTP. Unless you can justify the need for having this person work 50hrs per week, we cannot approve a position that totals more than 1.0 FTP.
   - **Example:** If you list your administrative assistant as 1(0.75) FTP in your Federal budget, and 1(0.5) FTP in your State Budget, this position totals 1.25 FTP.

- **One position receiving different wages from different budgets –** If a position is paid from different funding sources or budgets, you should check to make sure that the hourly rate comes out the same in each budget.
   - **Example:** If you list your administrative assistant as 1(0.75) FTP in your Federal budget for a total of $23,400, and as a 1(0.25)FTP in your State budget for a total of $3,120, you have not exceeded 1.0 FTP, but , you are saying that you pay this position $15/hr from Federal and $6/hr from State (see example under "Calculations" for calculating hourly rate).

- **Repeating the entire FTP for a position in each budget area –** If you have a 0.95 FTP employee who is paid from more than one budget, it is a common mistake to list that person as a 0.95 FTP in each budget area. This leads to calculating errors that can cause the State to question your budget. Make sure that the portion of the FTP listed matches the portion of the total salary represented in that budget area.
    - **Example:** You list your financial tech as a 0.86 FTP in both your 5% Federal Admin and your State budgets. This mistake is fairly obvious to see if you know what you are looking for, since the total FTP adds up to 1.72. However, if you list the same position as a 0.39 in each budget area, it is unclear if this is an error or if it is correct, since the total FTP is still under 1.0.

A NOTE ABOUT LEADERSHIP BUDGETS

In some cases, programs have listed FTPs in their leadership budget. To list an FTP in your leadership budget indicates that you are paying a regular part of salary and benefits for a position from this budget. Unless you have arranged to pay for a specific position from your leadership budget with the State office (a teacher working on a State leadership project, for example), you should not have FTPs listed here.

It is allowable to pay salary and benefits for the *hours* when staff are attending training. However, these hours should not represent a regular part of your staff's schedule. If you wish to pay salaries and benefits for the limited hours of staff attendance at training, this should be represented as hours, not FTPs. For example "40 hours of salaries and benefits for 20 teachers to attend training" would indicate that these hours are limited and not part of the regular duties of these staff members.

If you have listed FTPs in your leadership budget that are not allowable under this budget as per above, these FTPs will need to be moved to other budget areas. If you have listed FTPs in your leadership budget that are not actual positions, but only represent hours in attendance at training, you will be asked to revise this portion of your budget to reflect hours, but will not need to account for these FTPs elsewhere.

INSTRUCTIONAL vs CLASSROOM HOURS

Part of the application review process is to make sure that the project narrative substantiates the allocation of resources requested in the budget. One way of doing this is to compare the services offered by the program to the amount of funding requested for personnel. The amount of hours a program pays their teachers to work should be substantiated by the number of classes and classroom time proposed in the narrative.

The following example will help you understand how the state office compared your project narrative to your budget to determine whether the allocation of resources has been substantiated. This example is applicable to ABE only and does not incorporate the EL Civics portion of the proposal.

Instructor Hours: This is the total hours for the year that the program is paying its teachers to work. This number is obtained by adding all of the instructional FTPs listed in the budget and multiplying by 2080 hrs/yr.

Classroom Hours: This is the total number of hours per year that classrooms are open and classes are in session, based on Table 2 of the narrative. This figure is based on an average estimate of 1.5 hours per class.

Example: Calculation of Instructor vs Classroom Hours

Instructor Hours:

In its application, a program lists a sum-total of 8.75 FTPs for positions listed as instructors.

8.75 FTP = (8.75) x (2080) = 18,200 paid instructor hours for the year.

Classroom Hours:

The total number of hours instructors spend in the classroom is determined by looking at what classes the program plans to offer for the upcoming year. This information is obtained from Table 2 of the narrative.

On Table 2 of the narrative, this program lists the following classes for the year. The total number of class sessions for the year is calculated by multiplying the times per week the class meets by the weeks per year the class is held by the total number of classes offered at this frequency.

Times Per Week	Weeks Per Year	Number of Classes like this listed in Table 2	Total Class Sessions for the year
2	40	20	1600
4	30	8	960
2	30	4	240
3	40	2	240
4	20	1	80
Total Number of Individual Class Sessions conducted in 2009			3,120

If we assume that each class lasts about 1.5 hours, we determine that the total number of classroom hours is (1.5) x (3,120) = 4,680 classroom hours

We can then compare the number of classroom hours for the year with the number of paid instructor hours for the year. In this case:

4,680 hrs classroom time ÷ 18,200 paid instructor hrs = 0.26 = 26%

In this example we can see that classroom hours only represent 26% of the paid instructor time. For someone who works 40 hours per week, this would mean that about 10 hours are spent in the classroom and about 30 hours are spent not in the classroom.

In this case we would ask this program to justify the other 74% of the time it is paying its teachers. If this time is spent answering phones, or performing administrative duties, this would not substantiate the resources. If this time is spent traveling to outreach sites and preparing for class, this would substantiate the resources.